

CONFERENCE COMMITTEE REPORT DIGEST FOR ESB 486

Citations Affected: IC 22-4.

Synopsis: Unemployment compensation; skills 2016 training fund. Conference committee report for ESB 486. Increases the maximum weekly unemployment compensation amount over a three year term beginning July 1, 2003. Reduces to ten days an employer's response time to unemployment benefit claims. Requires the department of workforce development (DWD) to deposit the first \$450,000 in skills 2016 training assessments in the special employment and training services fund. Eliminates the transfer of skills 2016 training fund assessments and deposits to the unemployment insurance benefit fund. Divides between joint labor and management building trades apprenticeship programs and joint labor and management industrial apprenticeship programs the amount from the allocation used by Ivy Tech to provide training. Removes the requirement that 20% of Ivy Tech's allocation be used to provide training to industrial employees who do not participate in joint labor and management industrial apprenticeship programs. Removes the \$1,000,000 annual allocation to DWD for the department's technology needs. Requires DWD to prepare a report each April 30 showing the unobligated money in the fund on that date. Allows the incumbent workers training board to reallocate the unobligated money shown in DWD's report. Repeals the sunset provision for the skills 2016 training program. Makes permanent the reduction in the unemployment benefit insurance fund contribution rate to fund the skills 2016 training program. **(This conference committee report: (1) revises the maximum weekly unemployment compensation amount; (2) removes language establishing work sharing benefits; (3) removes an increase to 65% in the amount in the skills 2016 training fund allocated to Ivy Tech; (4) divides between joint labor and management building trades apprenticeship programs and joint labor and management industrial apprenticeship programs the amount from Ivy Tech's allocation used to provide training; (5) removes the requirement that 20% of Ivy Tech's allocation be used to provide training to industrial employees who do not participate in joint labor and management industrial apprenticeship programs; (6) strikes language allocating \$1,000,000 annually from the skills 2016 training fund to DWD for the department's technology needs; (7) removes a provision specifying that the skills 2016 training fund administrative expenses are paid from the special employment and training services fund**

subject to the approval of the incumbent workers training board; and (8) removes a provision canceling the penalties and interest assessed against Vincennes University as the result of past due reimbursement payments for unemployment benefits.)

Effective: July 1, 2003.

Adopted

Rejected

CONFERENCE COMMITTEE REPORT

MR. SPEAKER:

Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill No. 486 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT to amend the Indiana Code concerning labor
- 3 and industrial safety.
- 4 Delete everything after the enacting clause and insert the following:
- 5 SECTION 1. IC 22-4-4-3, AS AMENDED BY P.L.30-2000,
- 6 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 7 JULY 1, 2003]: Sec. 3. (a) For calendar quarters beginning on and after
- 8 April 1, 1979, and before April 1, 1984, "wage credits" means
- 9 remuneration paid for employment by an employer to an individual.
- 10 Wage credits may not exceed three thousand six hundred sixty-six
- 11 dollars (\$3,666) and may not include payments specified in section
- 12 2(b) of this chapter.
- 13 (b) For calendar quarters beginning on and after April 1, 1984, and
- 14 before April 1, 1985, "wage credits" means remuneration paid for
- 15 employment by an employer to an individual. Wage credits may not
- 16 exceed three thousand nine hundred twenty-six dollars (\$3,926) and
- 17 may not include payments specified in section 2(b) of this chapter.
- 18 (c) For calendar quarters beginning on and after April 1, 1985, and
- 19 before January 1, 1991, "wage credits" means remuneration paid for
- 20 employment by an employer to an individual. Wage credits may not
- 21 exceed four thousand one hundred eighty-six dollars (\$4,186) and may

1 not include payments specified in section 2(b) of this chapter.

2 (d) For calendar quarters beginning on and after January 1, 1991, and
3 before July 1, 1995, "wage credits" means remuneration paid for
4 employment by an employer to an individual. Wage credits may not
5 exceed four thousand eight hundred ten dollars (\$4,810) and may not
6 include payments specified in section 2(b) of this chapter.

7 (e) For calendar quarters beginning on and after July 1, 1995, and
8 before July 1, 1997, "wage credits" means remuneration paid for
9 employment by an employer to an individual and remuneration
10 received as tips or gratuities in accordance with Sections 3102 and
11 3301 et seq. of the Internal Revenue Code. Wage credits may not
12 exceed five thousand dollars (\$5,000) and may not include payments
13 specified in section 2(b) of this chapter.

14 (f) For calendar quarters beginning on and after July 1, 1997, and
15 before July 1, 1998, "wage credits" means remuneration paid for
16 employment by an employer to an individual and remuneration
17 received as tips or gratuities in accordance with Sections 3102 and
18 3301 et seq. of the Internal Revenue Code. Wage credits may not
19 exceed five thousand four hundred dollars (\$5,400) and may not
20 include payments specified in section 2(b) of this chapter.

21 (g) For calendar quarters beginning on and after July 1, 1998, and
22 before July 1, 1999, "wage credits" means remuneration paid for
23 employment by an employer to an individual and remuneration
24 received as tips or gratuities in accordance with Sections 3102 and
25 3301 et seq. of the Internal Revenue Code. Wage credits may not
26 exceed five thousand six hundred dollars (\$5,600) and may not include
27 payments that are excluded from the definition of wages under section
28 2(b) of this chapter.

29 (h) For calendar quarters beginning on and after July 1, 1999, and
30 before July 1, 2000, "wage credits" means remuneration paid for
31 employment by an employer to an individual and remuneration
32 received as tips or gratuities in accordance with Sections 3102 and
33 3301 et seq. of the Internal Revenue Code. Wage credits may not
34 exceed five thousand eight hundred dollars (\$5,800) and may not
35 include payments that are excluded from the definition of wages under
36 section 2(b) of this chapter.

37 (i) For calendar quarters beginning on and after July 1, 2000, and
38 before July 1, 2001, "wage credits" means remuneration paid for
39 employment by an employer to an individual and remuneration
40 received as tips or gratuities in accordance with Sections 3102 and
41 3301 et seq. of the Internal Revenue Code. Wage credits may not
42 exceed six thousand seven hundred dollars (\$6,700) and may not
43 include payments that are excluded from the definition of wages under
44 section 2(b) of this chapter.

45 (j) For calendar quarters beginning on and after July 1, 2001, and
46 before July 1, 2002, "wage credits" means remuneration paid for
47 employment by an employer to an individual and remuneration
48 received as tips or gratuities in accordance with Sections 3102 and
49 3301 et seq. of the Internal Revenue Code. Wage credits may not
50 exceed seven thousand three hundred dollars (\$7,300) and may not
51 include payments that are excluded from the definition of wages under

section 2(b) of this chapter.

(k) For calendar quarters beginning on and after July 1, 2002, **and before July 1, 2003**, "wage credits" means remuneration paid for employment by an employer to an individual and remuneration received as tips or gratuities in accordance with Sections 3102 and 3301 et seq. of the Internal Revenue Code. Wage credits may not exceed seven thousand nine hundred dollars (\$7,900) and may not include payments that are excluded from the definition of wages under section 2(b) of this chapter.

(l) For calendar quarters beginning on and after July 1, 2003, **and before July 1, 2004**, "wage credits" means remuneration paid for employment by an employer to an individual and remuneration received as tips or gratuities in accordance with Sections 3102 and 3301 et seq. of the Internal Revenue Code. Wage credits may not exceed eight thousand two hundred sixteen dollars (\$8,216) and may not include payments that are excluded from the definition of wages under section 2(b) of this chapter.

(m) For calendar quarters beginning on and after July 1, 2004, **and before July 1, 2005**, "wage credits" means remuneration paid for employment by an employer to an individual and remuneration received as tips or gratuities in accordance with Sections 3102 and 3301 et seq. of the Internal Revenue Code. Wage credits may not exceed eight thousand seven hundred thirty-three dollars (\$8,733) and may not include payments that are excluded from the definition of wages under section 2(b) of this chapter.

(n) For calendar quarters beginning on and after July 1, 2005, "wage credits" means remuneration paid for employment by an employer to an individual and remuneration received as tips or gratuities in accordance with Sections 3102 and 3301 et seq. of the Internal Revenue Code. Wage credits may not exceed nine thousand two hundred fifty dollars (\$9,250) and may not include payments that are excluded from the definition of wages under section 2(b) of this chapter.

SECTION 2. IC 22-4-10.5-7, AS ADDED BY P.L.290-2001, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 7. (a) **After making the deposit required by subsection (b)**, the department shall deposit skills 2016 training assessments paid to the department under this chapter in the skills 2016 training fund established by IC 22-4-24.5-1.

(b) **After June 30, 2003, unless the board approves a lesser amount, the department annually shall deposit the first four hundred fifty thousand dollars (\$450,000) in skills 2016 training assessments paid to the department under this chapter in the special employment and training services fund established by IC 22-4-25-1 for the training and counseling assistance described in IC 22-4-25-1(f).**

SECTION 3. IC 22-4-11-3, AS AMENDED BY P.L.30-2000, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 3. (a) ~~Except as provided in section 3-2 of this chapter,~~ The applicable schedule of rates for the calendar year 1983 and thereafter shall be determined by the ratio resulting when the

balance in the fund as of the determination date is divided by the total payroll of all subject employers for the immediately preceding calendar year. Schedule A, B, C, or D, appearing on the line opposite the fund ratio in the schedule below, shall be applicable in determining and assigning each employer's contribution rate for the calendar year immediately following the determination date. For the purposes of this subsection, "total payroll" means total remuneration reported by all contributing employers as required by this article and does not include the total payroll of any employer who elected to become liable for payments in lieu of contributions (as defined in IC 22-4-2-32). For the purposes of this subsection, "subject employers" means those employers who are subject to contribution.

FUND RATIO SCHEDULE

When the Fund Ratio Is:

As Much As	But Less Than	Applicable Schedule
	1.0%	A
1.0%	1.5%	B
1.5%	2.25%	C
2.25%		D

(b) **For calendar years before 2002**, if the conditions and requirements of section 2 of this chapter are met, the rate of contributions shall be determined and assigned, with respect to each calendar year, to employers whose accounts have a credit balance and who are eligible therefor according to each employer's credit reserve ratio. Each employer shall be assigned the contribution rate appearing in the applicable schedule A, B, C, or D on the line opposite his credit reserve ratio as set forth in the rate schedule below:

RATE SCHEDULE FOR ACCOUNTS

WITH CREDIT BALANCES

When the Credit Reserve Ratio Is:

As Much	But Less Than	Rate Schedules (%)					
As	Than	A	B	C	D	E	
3.0		1.2	0.2	0.2	0.2	0.15	
2.8	3.0	1.4	0.4	0.2	0.2	0.15	
2.6	2.8	1.6	0.6	0.2	0.2	0.15	
2.4	2.6	1.8	0.8	0.4	0.2	0.2	
2.2	2.4	2.0	1.0	0.6	0.2	0.2	
2.0	2.2	2.2	1.2	0.8	0.4	0.4	
1.8	2.0	2.4	1.4	1.0	0.6	0.6	
1.6	1.8	2.6	1.6	1.2	0.8	0.8	
1.4	1.6	2.8	1.8	1.4	1.0	1.0	
1.2	1.4	3.0	2.0	1.6	1.2	1.2	
1.0	1.2	3.2	2.2	1.8	1.4	1.4	
0.8	1.0	3.4	2.4	2.0	1.6	1.6	
0.6	0.8	3.6	2.6	2.2	1.8	1.8	
0.4	0.6	3.8	2.8	2.4	2.0	2.0	
0.2	0.4	4.0	3.0	2.6	2.2	2.2	
0	0.2	4.2	3.2	2.8	2.4	2.4	

(c) Each employer whose account as of any computation date

occurring on and after June 30, 1984, shows a debit balance shall be assigned the rate of contributions appearing on the line opposite his debit ratio as set forth in the following rate schedule for accounts with debit balances:

RATE SCHEDULE FOR ACCOUNTS
WITH DEBIT BALANCES

When the Debit Reserve Ratio Is:

As Much	But Less	Rate Schedules (%)					
As	Than	A	B	C	D	E	
	1.5	4.5	4.4	4.3	4.2	3.6	
1.5	3.0	4.8	4.7	4.6	4.5	3.8	
3.0	4.5	5.1	5.0	4.9	4.8	4.1	
4.5	6.0	5.4	5.3	5.2	5.1	4.4	
6.0		5.7	5.6	5.5	5.4	5.4	

(d) Any adjustment in the amount charged to any employer's experience account made subsequent to the assignment of rates of contributions for any calendar year shall not operate to alter the amount charged to the experience accounts of any other base-period employers.

SECTION 4. IC 22-4-11-3.3, AS AMENDED BY P.L.1-2002, SECTION 89, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 3.3. (a) For calendar years ~~2002 through 2004~~, **after 2001**, if the conditions of section 2 of this chapter are met, the rate of contributions shall be determined and assigned, with respect to each calendar year, to employers whose accounts have a credit balance and who are eligible therefore according to each employer's credit reserve ratio. ~~Except as provided in section 3.2(b) of this chapter~~, Each employer shall be assigned the contribution rate appearing in the applicable schedule A, B, C, D, or E on the line opposite the employer's credit reserve ratio as set forth in the rate schedule below:

RATE SCHEDULE FOR ACCOUNTS
WITH CREDIT BALANCES

When the Credit Reserve Ratio Is:

As Much	But Less	Rate Schedules (%)					
As	Than	A	B	C	D	E	
3.00		1.10	0.10	0.10	0.10	0.15	
2.80	3.00	1.30	0.30	0.10	0.10	0.15	
2.60	2.80	1.50	0.50	0.10	0.10	0.15	
2.40	2.60	1.70	0.70	0.30	0.10	0.20	
2.20	2.40	1.90	0.90	0.50	0.10	0.20	
2.00	2.20	2.10	1.10	0.70	0.30	0.40	
1.80	2.00	2.30	1.30	0.90	0.50	0.60	
1.60	1.80	2.50	1.50	1.10	0.70	0.80	
1.40	1.60	2.70	1.70	1.30	0.90	1.00	
1.20	1.40	2.90	1.90	1.50	1.10	1.20	
1.00	1.20	3.10	2.10	1.70	1.30	1.40	
0.80	1.00	3.30	2.30	1.90	1.50	1.60	
0.60	0.80	3.50	2.50	2.10	1.70	1.80	
0.40	0.60	3.70	2.70	2.30	1.90	2.00	
0.20	0.40	3.90	2.90	2.50	2.10	2.20	

0.00 0.20 4.10 3.10 2.70 2.30 2.40

(b) For calendar years ~~2002 through 2004~~, **after 2001**, if the conditions of section 2 of this chapter are met, the rate of contributions shall be determined and assigned, with respect to each calendar year, to employers whose accounts have a debit balance and who are eligible therefore according to each employer's debit reserve ratio. Each employer shall be assigned the contribution rate appearing in the applicable schedule A, B, C, D, or E on the line opposite the employer's debit reserve ratio as set forth in the rate schedule below:

RATE SCHEDULE FOR ACCOUNTS
WITH DEBIT BALANCES

When the Debit Reserve Ratio Is:

As	But	Rate Schedules					
Much	Less	(%)					
As	Than	A	B	C	D	E	
	1.50	4.40	4.30	4.20	4.10	5.40	
1.50	3.00	4.70	4.60	4.50	4.40	5.40	
3.00	4.50	5.00	4.90	4.70	4.70	5.40	
4.50	6.00	5.30	5.20	5.10	5.00	5.40	
6.00		5.60	5.50	5.40	5.40	5.40	

SECTION 5. IC 22-4-17-2, AS AMENDED BY P.L.290-2001, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 2. (a) When an individual files an initial claim, the department shall promptly make a determination of ~~his~~ **the individual's** status as an insured worker in a form prescribed by the board. A written notice of the determination of insured status shall be furnished ~~him~~ **to the individual** promptly. Each such determination shall be based on and include a written statement showing the amount of wages paid to the individual for insured work by each employer during the individual's base period and shall include a finding as to whether such wages meet the requirements for the individual to be an insured worker, and, if so, the week ending date of the first week of the individual's benefit period, the individual's weekly benefit amount, and the maximum amount of benefits that may be paid to the individual for weeks of unemployment in the individual's benefit period. For the individual who is not insured, the notice shall include the reason for the determination. Unless the individual, within ~~twenty (20)~~ **ten (10)** days after such determination was mailed to the individual's last known address, or otherwise delivered to the individual, asks a hearing thereon before an administrative law judge, such determination shall be final and benefits shall be paid or denied in accordance therewith.

(b) The department shall promptly furnish each employer in the base period whose experience or reimbursable account is potentially chargeable with benefits to be paid to such individual with a notice in writing of the employer's benefit liability. Such notice shall contain the date, the name and social security account number of the individual, the ending date of the individual's base period, and the week ending date of the first week of the individual's benefit period. Such notice shall further contain information as to the proportion of benefits chargeable to the employer's experience or reimbursable account in ratio to the earnings of such individual from such employer. Unless the

1 employer, within ~~twenty (20)~~ **ten (10)** days after such notice of benefit
 2 liability was mailed to the employer's last known address, or otherwise
 3 delivered to the employer, asks a hearing thereon before an
 4 administrative law judge, such determination shall be final and benefits
 5 paid shall be charged in accordance therewith.

6 (c) An employing unit, including an employer, having knowledge
 7 of any facts which may affect an individual's eligibility or right to
 8 waiting period credits or benefits, shall notify the department of such
 9 facts within ~~twenty (20)~~ **ten (10)** days after the mailing of notice that
 10 a former employee has filed an initial or additional claim for benefits
 11 on a form prescribed by the board.

12 (d) In addition to the foregoing determination of insured status by
 13 the department, the deputy shall, throughout the benefit period,
 14 determine the claimant's eligibility with respect to each week for which
 15 the claimant claims waiting period credit or benefit rights, the validity
 16 of the claimant's claim therefor, and the cause for which the claimant
 17 left the claimant's work, or may refer such claim to an administrative
 18 law judge who shall make the initial determination with respect thereto
 19 in accordance with the procedure in IC 22-4-17-3.

20 (e) In cases where the claimant's benefit eligibility or
 21 disqualification is disputed, the department shall promptly notify the
 22 claimant and the employer or employers directly involved or connected
 23 with the issue raised as to the validity of such claim, the eligibility of
 24 the claimant for waiting period credit or benefits, or the imposition of
 25 a disqualification period or penalty, or the denial thereof, and of the
 26 cause for which the claimant left the claimant's work, of such
 27 determination and the reasons thereof. Except as otherwise hereinafter
 28 provided in this subsection regarding parties located in Alaska, Hawaii,
 29 and Puerto Rico, unless the claimant or such employer, within ~~twenty~~
 30 ~~(20)~~ **ten (10)** days after such notification was mailed to the claimant's
 31 or the employer's last known address, or otherwise delivered to the
 32 claimant or the employer, asks a hearing before an administrative law
 33 judge thereon, such decision shall be final and benefits shall be paid or
 34 denied in accordance therewith. With respect to notice of disputed
 35 administrative determination or decision mailed or otherwise delivered
 36 to the claimant or employer either of whom is located in Alaska,
 37 Hawaii, or Puerto Rico, unless such claimant or employer, within
 38 ~~twenty-five (25)~~ **fifteen (15)** days after such notification was mailed to
 39 the claimant's or employer's last known address or otherwise delivered
 40 to the claimant or employer, asks a hearing before an administrative
 41 law judge thereon, such decision shall be final and benefits shall be
 42 paid or denied in accordance therewith. If such hearing is desired, the
 43 request therefor shall be filed with the commissioner in writing within
 44 the prescribed periods as above set forth in this subsection and shall be
 45 in such form as the board may prescribe. In the event a hearing is
 46 requested by an employer or the department after it has been
 47 administratively determined that benefits should be allowed to a
 48 claimant, entitled benefits shall continue to be paid to said claimant
 49 unless said administrative determination has been reversed by a due
 50 process hearing. Benefits with respect to any week not in dispute shall
 51 be paid promptly regardless of any appeal.

(f) ~~No~~ A person may **not** participate on behalf of the department in any case in which the person is an interested party.

(g) Solely on the ground of obvious administrative error appearing on the face of an original determination, and within the benefit year of the affected claims, the commissioner, or a representative authorized by the commissioner to act in the commissioner's behalf, may reconsider and direct the deputy to revise the original determination so as to correct the obvious error appearing therein. Time for filing an appeal and requesting a hearing before an administrative law judge regarding the determinations handed down pursuant to this subsection shall begin on the date following the date of revision of the original determination and shall be filed with the commissioner in writing within the prescribed periods as above set forth in subsection (c).

(h) Notice to the employer and the claimant that the determination of the department is final if a hearing is not requested shall be prominently displayed on the notice of the determination which is sent to the employer and the claimant.

SECTION 6. IC 22-4-24.5-1, AS AMENDED BY P.L.1-2002, SECTION 92, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 1. (a) The skills 2016 training fund is established to do the following:

(1) Administer the costs of the skills 2016 training program established by IC 22-4-10.5.

(2) Undertake any program or activity that furthers the purposes of IC 22-4-10.5.

(3) Refund skills 2016 training assessments erroneously collected and deposited in the fund.

(b) ~~Subject to subsection (j);~~ Fifty-five percent (55%) of the money in the fund shall be allocated to the state educational institution established under IC 20-12-61. The money so allocated to that state educational institution shall be used as follows:

(1) An amount to be determined annually shall be allocated to the state educational institution established under IC 20-12-61 for its costs in administering the training programs described in subsection ~~(b);~~ **(a)**. However, the amount so allocated may not exceed fifteen percent (15%) of the total amount of money allocated under this subsection.

(2) After the allocation made under subdivision (1), ~~forty~~ **fifty** percent ~~(40%)~~ **(50%)** shall be used to provide training to participants in joint labor and management building trades apprenticeship programs approved by the United States Department of Labor's Bureau of Apprenticeship Training.

(3) After the allocation made under subdivision (1), ~~forty~~ **fifty** percent ~~(40%)~~ **(50%)** shall be used to provide training to participants in joint labor and management industrial apprenticeship programs approved by the United States Department of Labor's Bureau of Apprenticeship Training.

~~(4) After the allocation made under subdivision (1); twenty percent (20%) shall be used to provide training to industrial employees not covered by subdivision (2);~~

(c) ~~Subject to subsection (j);~~ The remainder of the money in the

fund shall be allocated as follows:

(1) An amount not to exceed one million dollars (\$1,000,000) shall be allocated to the department of workforce development annually for technology needs of the department.

(2) An amount not to exceed four hundred fifty thousand dollars (\$450,000) shall be allocated annually for training and counseling assistance under IC 22-4-14-2 provided by state educational institutions (as defined in IC 20-12-0.5-1) or counseling provided by the department of workforce development for individuals who:

(A) have been unemployed for at least four (4) weeks;

(B) are not otherwise eligible for training and counseling assistance under any other program; and

(C) are not participating in programs that duplicate those programs described in IC 22-4-25-1(e).

Training or counseling provided under IC 22-4-14-2 does not excuse the claimant from complying with the requirements of IC 22-4-14-3. Eligibility for training and counseling assistance under this subdivision shall not be determined until after the fourth week of eligibility for unemployment training compensation benefits.

(3) (1) An amount to be determined annually shall be set aside for the payment of refunds from the fund.

(4) (2) The remainder of the money in the fund after the allocations provided for in subsection (b) and subdivisions subdivision (1) through (3) shall be allocated to other incumbent worker training programs.

(d) The fund shall be administered by the board. However, all disbursements from the fund must be recommended by the incumbent workers training board and approved by the board as required by IC 22-4-18.3-6.

(e) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund.

(f) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

(g) The fund consists of the following:

(1) Assessments deposited in the fund.

(2) Earnings acquired through the use of money belonging to the fund.

(3) Money received from the fund from any other source.

(4) Interest earned from money in the fund.

(5) Interest and penalties collected.

(h) All money deposited or paid into the fund is appropriated annually for disbursements authorized by this section.

(i) Not later than April 30 each year, the department shall prepare an annual report that shows the amount of unobligated money in the fund on that date.

(j) The incumbent workers training board may reallocate the unobligated money shown in the annual report required by subsection (i) in accordance with subsections (b) and (c)(2).

(i) ~~(k)~~ Any balance in the fund does not lapse but is available continuously to the department for expenditures consistent with this chapter.

~~(j) If the fund ratio (as described in IC 22-4-11-3) is less than or equal to 1.5 or if the board determines that the solvency of the unemployment insurance benefit fund established by IC 22-4-26-1 is threatened, the funds assessed for or deposited in the skills 2016 training fund shall be directed or transferred to the unemployment insurance benefit fund.~~

SECTION 7. IC 22-4-25-1, AS AMENDED BY P.L.290-2001, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 1. (a) There is created in the state treasury a special fund to be known as the special employment and training services fund. All interest on delinquent contributions and penalties collected under this article, together with any voluntary contributions tendered as a contribution to this fund **and amounts deposited as required by IC 22-4-10.5-7(b)**, shall be paid into this fund. The money shall not be expended or available for expenditure in any manner which would permit their substitution for (or a corresponding reduction in) federal funds which would in the absence of said money be available to finance expenditures for the administration of this article, but nothing in this section shall prevent said money from being used as a revolving fund to cover expenditures necessary and proper under the law for which federal funds have been duly requested but not yet received, subject to the charging of such expenditures against such funds when received. The money in this fund shall be used by the board for the payment of refunds of interest on delinquent contributions and penalties so collected, for the payment of costs of administration which are found not to have been properly and validly chargeable against federal grants or other funds received for or in the employment and training services administration fund, on and after July 1, 1945. Such money shall be available either to satisfy the obligations incurred by the board directly, or by transfer by the board of the required amount from the special employment and training services fund to the employment and training services administration fund. No expenditure of this fund shall be made unless and until the board finds that no other funds are available or can properly be used to finance such expenditures, except that expenditures from said fund may be made for the purpose of acquiring lands and buildings or for the erection of buildings on lands so acquired which are deemed necessary by the board for the proper administration of this article. The board shall order the transfer of such funds or the payment of any such obligation or expenditure and such funds shall be paid by the treasurer of state on requisition drawn by the board directing the auditor of state to issue the auditor's warrant therefor. Any such warrant shall be drawn by the state auditor based upon vouchers certified by the board or the commissioner. The money in this fund is hereby specifically made available to replace within a reasonable time any money received by this state pursuant to 42 U.S.C. 502, as amended, which, because of any action or contingency, has been lost or has been expended for purposes other than or in amounts in excess of those approved by the

bureau of employment security. The money in this fund shall be continuously available to the board for expenditures in accordance with the provisions of this section and shall not lapse at any time or be transferred to any other fund, except as provided in this article. Nothing in this section shall be construed to limit, alter, or amend the liability of the state assumed and created by IC 22-4-28, or to change the procedure prescribed in IC 22-4-28 for the satisfaction of such liability, except to the extent that such liability may be satisfied by and out of the funds of such special employment and training services fund created by this section.

(b) The board, subject to the approval of the budget agency and governor, is authorized and empowered to use all or any part of the funds in the special employment and training services fund for the purpose of acquiring suitable office space for the department by way of purchase, lease, contract, or in any part thereof to purchase land and erect thereon such buildings as the board determines necessary or to assist in financing the construction of any building erected by the state or any of its agencies wherein available space will be provided for the department under lease or contract between the department and the state or such other agency. The commissioner may transfer from the employment and training services administration fund to the special employment and training services fund amounts not exceeding funds specifically available to the commissioner for that purpose equivalent to the fair, reasonable rental value of any land and buildings acquired for its use until such time as the full amount of the purchase price of such land and buildings and such cost of repair and maintenance thereof as was expended from the special employment and training services fund has been returned to such fund.

(c) The board may also transfer from the employment and training services administration fund to the special employment and training services fund amounts not exceeding funds specifically available to the commissioner for that purpose equivalent to the fair, reasonable rental value of space used by the department in any building erected by the state or any of its agencies until such time as the department's proportionate amount of the purchase price of such building and the department's proportionate amount of such cost of repair and maintenance thereof as was expended from the special employment and training services fund has been returned to such fund.

(d) Whenever the balance in the special employment and training services fund is deemed excessive by the board, the board shall order payment into the unemployment insurance benefit fund of the amount of the special employment and training services fund deemed to be excessive.

(e) Subject to the approval of the board, the commissioner may use not more than five million dollars (\$5,000,000) during a program year for training provided by the state educational institution established under IC 20-12-61 to participants in joint labor and management apprenticeship programs approved by the United States Department of Labor's Bureau of Apprenticeship Training. Of the money allocated for training programs under this subsection, fifty percent (50%) is designated for industrial programs, and the remaining fifty (50%)

1 percent is designated for building trade programs.

2 (f) The commissioner shall allocate an amount not to exceed
3 four hundred fifty thousand dollars (\$450,000) annually for
4 training and counseling assistance under IC 22-4-14-2 provided by
5 state educational institutions (as defined in IC 20-12-0.5-1) or
6 counseling provided by the department of workforce development
7 for individuals who:

8 (1) have been unemployed for at least four (4) weeks;

9 (2) are not otherwise eligible for training and counseling
10 assistance under any other program; and

11 (3) are not participating in programs that duplicate those
12 programs described in subsection (e).

13 Training or counseling provided under IC 22-4-14-2 does not
14 excuse the claimant from complying with the requirements of
15 IC 22-4-14-3. Eligibility for training and counseling assistance
16 under this subsection shall not be determined until after the fourth
17 week of eligibility for unemployment training compensation
18 benefits. The training and counseling assistance programs funded
19 by this subsection must be approved by the United States
20 Department of Labor's Bureau of Apprenticeship Training.

21 SECTION 8. THE FOLLOWING ARE REPEALED [EFFECTIVE
22 JULY 1, 2003]: IC 22-4-10.5-1; IC 22-4-11-3.2.

(Reference is to ESB 486 as reprinted April 11, 2003.)

Conference Committee Report
on
Engrossed Senate Bill 486

Signed by:

Senator Harrison
Chairperson

Representative Liggett

Senator Craycraft

Representative Leonard

Senate Conferees

House Conferees